Applicant Name: SOUTHWEST COLORADO BROADBAND
Project Title: Total Broadband Access for Southwest Colorado
Project Type: Comprehensive Community Infrastructure

Executive Summary

The specific intent of this business proposition put forth by Southwest Colorado Broadband (SWCBB) is to manifest the expressed intent of the federal government through the Recovery Act to facilitate ubiquitous access to broadband services in rural, un-/under-served and vulnerable populations across America. In so doing, stimulate economic development, create jobs and improve the quality of life of all Americans. The proposed service area is described by a 4 contiguous county region within the Region 9 Economic Development District of SW Colorado which exemplifies the ideal target market intended by the Recovery Act, NTIA Broadband Technology Opportunities Program (BTOP). 100% of Region 9 falls within the 'rural' market classification. As such, it is largely underserved by broadband and the limited competitive alternative for service in these counties allows service rates to remain unchallenged. Ed Morlan, Executive Director of the Region 9 Economic Development District (EDD) reports, 'The current telecommunication services available do not adequately reach and serve all locations of critical anchor institutions for whom high speed internet access would measurably improve their ability to provide safety, education, health, and homeland security to our citizens.' Region 9 also has the unique distinction of being home to two Indian Reservations. Statistically, in 2009 Region 9 consists of a population of approximately 93,296. This population lives in 38,667 homes across a territory that spans 6,584 sq. miles and is divided into 5 counties and 36 cities / towns. This population is employed in over 38,000 jobs, over 40% work in the Tourism Industry or in Regional Services. There is an un-employment rate of 6.8% in Region 9 (.2 points less than the Colorado statewide unemployment 7.0%). The proposed target service area includes the counties of Archuleta, Dolores, La Plata and Montezuma. This subset of Region 9 has the following characteristics: current population of 92,702 (up from 79,513 per 2000 Census) living in 38,626 households in a territory of 6,145 sq. Miles. There are approximately 4000 businesses in the area and a total of 190 anchor institutions. SWCBB intends to construct Middle and Last Mile broadband infrastructure to provide reliable, high speed internet access to un-served/underserved community anchor organizations, local businesses, consumers and Native American populations. The plan endeavors to deliver last mile broadband services to 95% of the population in the target service areas. The prudent mix of existing fiber lines, new fiber optic network, point-to-point licensed microwave and WiMax based radio access networks will enable sustained connection speeds/capacity and economics not possible in the region today. The company will provide dedicated access to address the needs of this region's anchor institutions and public safety entities. It is the intent of this proposal to provide services to 100% of community anchors. However, the introduction of significant, robust competition will apply price pressure on incumbent service providers benefiting all customers in these markets 'regardless of subscription to this service or remaining with the incumbent.
As a matter of public policy, SWCBB ardently upholds the Nondiscrimination and Interconnection Obligations as outlined in the NOFA and as defined by FCC 05'151, adopted August 5, 2005. Furthermore, the economic model presumes and pursues open, unrestricted access to the internet for the benefit of the broadest range of potential customers. The prudent mix of fiber and wireless technologies, optimized to deliver the most reliable, highest performance services for both middle and last mile customers is the foundation of the system design. The system is designed beginning with a 10G fiber optic ring topology. From the fiber ring, laterals will be extended to major communications towers which we refer to as Fiber Interconnection Points (FIP). The laterals range from .27 miles to 9.55 miles. From the FIP we will extend to additional towers and buildings with point to point licensed Microwave links with capacity ranging from 50 Meg to 500 Meg on the link. Tower locations may also serve as WiMax base stations and provide the local access distribution to residential consumers and business consumers. In some cases Fiber laterals will be extended to Community anchor buildings depending on the bandwidth needs. These buildings will be referred to as Fiber Point of Presence (FPOP). Our intention is to use the appropriate technology to best suit the customer need. With the advent of superior connectivity and its attendant implications on growth, the need for a regional data center is anticipated. Provisions have been made in this plan to provide a Tier 3 data center with a broad range of services from web hosting to managed services. This element of the plan is viewed as highly opportunistic because there are no such data services available within 100 miles of the area. The leadership team of this enterprise is a combination of proven executive talent with a strong track record of working closely together across a number of successful telecom ventures. These ventures include building and growing start-ups / young companies as well as operating and growing large established entities in challenging market conditions. Team leaders are: Michael McHale - a 30 year telecom executive and a telecom company operator with wireline, wireless and OSS infrastructure company experience. He was a prominent member of a team who secured the largest federal loan in RUS history and multiple other loans and grants through the federal government. McHale was also responsible for deploying billions of dollars nationally for marquee companies such as ATT, MCI, XO, Telseon, TeleSpectra and Open Range. Kevin Manweiler - a successful telecom operator responsible for construction of numerous telecom facilities nationally and within Colorado Region 9. Recently completed a telecom infrastructure study for Region 9 which drove award of $3.2M DOLA grant. It is critical to note that grant financing is essential to make the project economically viable. At competitive market rates given the areas low population density, even a cost effective deployment plan, such as the one proposed, would be unable to achieve sustainable ROI were it not for grant financing. With this financing, the business model is strong and sustainable and will be able to fulfill it mission to serve the population in this proposed service area effectively for many years to come. In addition to improving access to broadband services and promoting economic recovery, the plan also fulfills the federal government's objective of preserving and creating jobs. Specifically, this proposition will generate permanent employment opportunities for 42 people within the target service area and will drive a total of 368 'job years' including, direct, indirect and induced. Provisions have been made to provide the necessary training for local individuals who may not possess the specific skill sets required. The following positions have been identified: Customer Service representatives (5), Field technicians / installers (10), IT Management (5), Sales & Marketing (7), Engineering management, (10), Executive management & Staff (5).